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CENTRAL INTELLIGENCE AGENCY

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SECURITY INFORMATION

# INFORMATION REPORT



COUNTRY Poland

DATE DISTR. 12 December 1952

SUBJECT Export of Cement

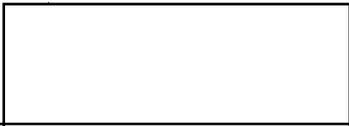
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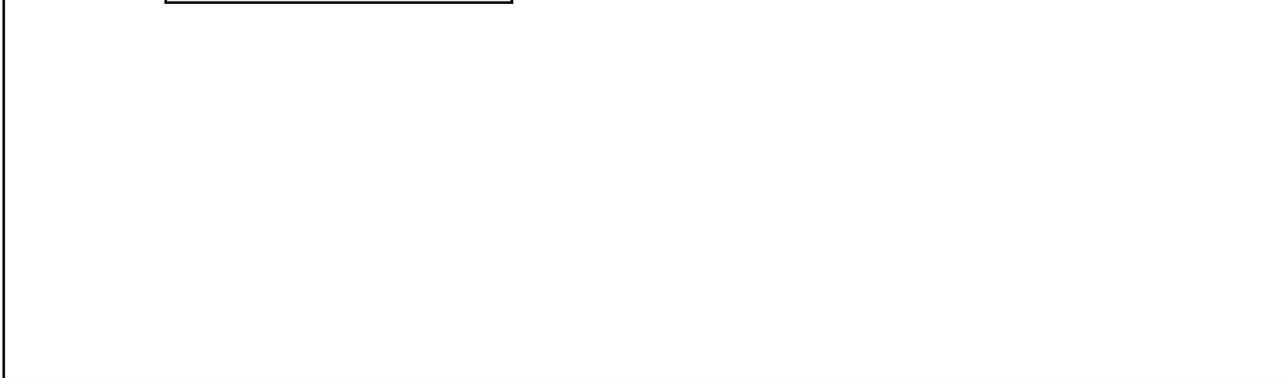
NO. OF ENCLS. (LISTED BELOW)

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SUPPLEMENT TO REPORT NO.

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### Polish Export of Cement to the USSR

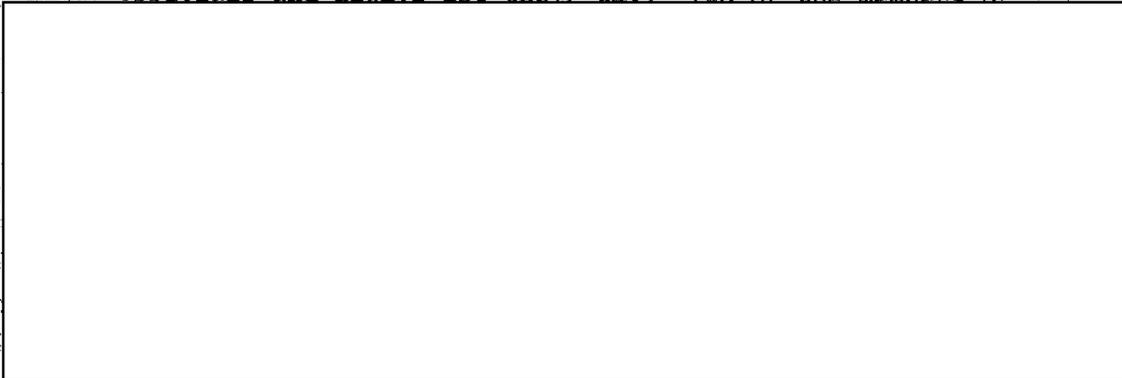
1. In 1948, 1949 and 1950 Poland shipped 270 thousand metric tons of cement to the USSR. In 1951 Poland shipped 285 thousand tons to the USSR, of which 245 thousand tons represented advance shipments of 20 thousand tons each on the 1952 quota.
2. Poland's 1952 export plan (totalling 420 thousand tons) calls for the shipment of 320 thousand metric tons of No 350 quality cement to the USSR at 42.80 rubles (\$10.70) per ton by the end of October in monthly amounts of about 30 thousand tons.<sup>1</sup> Of the 320 thousand ton quota for 1952, 20 thousand tons were diverted for the building of the House of Culture in Warsaw as a Soviet gift to Poland. Demands for advance shipments of the next year's quota were anticipated for the months of November and December 1952, amounting to a total of at least 40 thousand tons above the 1952 quota.
3. In 1949, 20 thousand tons of Polish cement were sent to the USSR in July and August by ship. In 1951 provisions were made in the contract to export 20 thousand tons in both July and August to Russia by sea from the Polish ports Gdynia and Gdansk, but the USSR did not have ships to transport the cement and the clause was deleted from the contract for 1952. All shipments now to the USSR are overland to the transshipment point at Nizankowice 3941N-2250E at the Polish-Soviet border.
4. Fulfillment of USSR demands for No 350 quality cement beyond the annual quota because of the extra shipments in advance has made it necessary for Poland to import 100 thousand tons of cement each year since 1948 from East Germany. The plan for 1952 calls for the import of 60 thousand tons of German No 325 quality cement (which corresponds to Polish No 350 quality) at 40.80 rubles per ton and 40 thousand tons of German No 225 cement (which corresponds to Polish No 250) at 42.80 rubles per ton. East German cement is under Soviet control and the USSR decides on the quota to be exported.

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5. On several occasions the USSR asked for as much as seven thousand tons more than the established 25 thousand ton quota to be delivered in a particular month. Pressure was exerted on Minex and the Ministry of Foreign Trade, and the demands had to be met. On these occasions Moscow called the Soviet trade office in Warsaw, Torgprestwo, which in turn called Minex and demanded a shipment of 32 thousand tons or more. If the Polish officials of Minex did not agree to the larger shipment, the Russians went over their heads to Ministry of Trade officials and always got their way. Two of the members of



#### Polish Export of Cement to Argentina

6. Argentina imports about 75 thousand tons of No 350 Polish cement annually. The import-export arrangements for Polish cement and glass are made by Minex through the Argentine government agency IAPI in Buenos Aires, and Argentine Polish Clearing (Clearing Argentinsko Polski-CAP). Provision is made through the Central Trade Office for Raw Hides (Centrala Skor Surowych), in Lodz, to import raw hides from Argentina in the amount of Polish export of cement and glass. All deliveries to Argentina are made in the first and fourth quarters of the year. In the second and third quarters Poland supplies cement only to the USSR and for domestic use.
7. In 1950 Poland exported 80 thousand tons of cement to Argentina valued at \$1,400,000. In October 1950 Leon Tyszka, Director of Dal Central Office, went to Argentina and stayed there three months for the purpose of negotiating for export of 60-100 thousand tons of Polish cement to Argentina, with the proviso that Argentina should sell to Poland an equivalent value of raw hides and some tannin. The reason for the range from 60-100 thousand tons was that Poland was not certain how much cement would be required by the USSR.
8. In 1951, the Polish ships Bytom Polski (8,200 tons), Curie-Sklodowska (7,200 tons) and a ship chartered through Polish Oceanic Lines (Polskie Linie Oceaniczne-PLO) called the Fry Hill (8,500 tons), delivered 68 thousand tons of cement to Argentina. The remaining seven thousand tons of the year's quota were delivered in the first quarter of 1952. The price for cement delivered to Argentina varied in 1951. The first 30 thousand tons of cement were sold to Argentina at \$23.50 per ton, the second 30 thousand tons at \$29 per ton, the third shipment of 15 thousand tons at \$34 per ton. Freight rates rose because the United States was chartering all the available ships at the time and it was more profitable for ship owners to charter their ships to the United States than to other countries.
9. In the first quarter of 1952, 27 thousand tons of cement were delivered to Argentina, 12,200 thousand tons as part of the 1952 delivery quota and seven thousand tons as the remainder from the 1951 delivery quota. The 20 thousand tons delivered in the first quarter sold at \$32.50 per ton because of the tie-in sale of \$350 thousand worth of Polish glass (about 800 metric tons) to be delivered to Argentina in 1952. The seven thousand tons from the 1951 quota sold at the \$34 price, in

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spite of delivery in 1952, because Argentina did not buy any Polish glass with that shipment. In 1952 Argentina will also import 200 thousand tons of cement from West Germany.

Polish Export of Cement to Other Countries

- 25X1 10. [redacted] following other export transactions for 1950. Twelve thousand tons of cement were exported to Cuba, seven thousand tons to Arabia, 30 thousand tons to Brazil (the latter in exchange for cotton and coffee). The firm Estrex, of London (Director: Tochari) bought 10 thousand tons for reexport to the Near East, Syria, Palestine, Iraq. Five thousand tons went to Africa through Italy.
- 25X1 11. In 1951 [redacted] Poland also exported: 12 thousand tons to Brazil; eight thousand tons to Rhodesia (through the Burgameco firm in London, Director: Mr. Attar); eight thousand tons to Austria; and two thousand tons to Albania, an annual quota which is used for building air strips under the supervision of Soviet engineers. Three thousand tons of Polish cement went to China. In 1951 not one pound of cement was sold for free dollars.
12. Poland expected to sell about 40 thousand tons of cement for free dollars in 1952 at a minimum price of \$14 per ton FOB Polish ports, brutto for netto. It was planned to export eight thousand tons through Burgameco for June loading to Rhodesia. Besides this amount, Director Attar of Burgameco had an option for the purchase of an additional 24 thousand tons (three shiploads) for Rhodesia. In the fourth quarter of 1952, non-transoceanic deliveries amounting to 15 thousand tons will be made, and 47 thousand tons will go to Argentina and Pakistan. A Polish-Pakistan cement pact was proposed for 1952 for 30 thousand tons of cement, but because of the high freight rates not much was expected to come of it. The pact had not been concluded by April 1952. Albania will probably get two thousand tons for 1952 also. Under secret transaction "W", five thousand tons of cement have been reserved for Austria at 56 rubles per ton.

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